

**BLIGHTED PROPERTY REVIEW COMMITTEE**  
**THURSDAY, AUGUST 18, 2011**  
**MEETING REPORT**

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**BRPC Members Attending:** L. Olsen, Chair; D. Reed, W. Bealer, H. Uribe

**Others attending:** L. Kelleher, T. Butler

Mr. Olsen, Chair, called the meeting to order at 6:08 p.m. and announced that a quorum was present.

**Public Comment**

Mr. Olsen opened the floor for public comment. As no one stepped forward to speak, the comment period was closed.

Ms. Kelleher stated that Mr. Luckey was unable to attend tonight's meeting and that he agreed to chair the September Hearing, as Mr. Olsen was scheduled to be out of town.

**Agenda**

Mr. Olsen called the BPRC's attention to the agenda for this meeting.

**Mr. Bealer moved, seconded by Ms. Reed, to approve the agenda. The motion was approved unanimously.**

**Update re Eminent Domain Properties**

Mr. Olsen requested an update on the disposition of properties scheduled for eminent domain.

Ms. Kelleher read the e-mail from Reading Redevelopment Authority Solicitor Keith Mooney as follows:

- Eminent Domain Round 1

127 Walnut Street, 343 McKnight Street, 360 McKnight Street, 217 N 2<sup>nd</sup> Street, 146 Elm Street and 1459 Fairview Street

Ms. Kelleher stated that Our City Reading is interested in acquiring the first five (5) properties and NHS is interested in acquiring the last property.

- Eminent Domain Round 2

628 N. Front Street, 644 N. Front Street, 737 N 4<sup>th</sup> Street, 600 and 602 N 3<sup>rd</sup> Street, and 1237 Buttonwood Street

Ms. Kelleher stated that the church located at North Front and Greenwich Streets is interested in acquiring the North Front Street properties, 737 N 4<sup>th</sup> Street and 600, 602 N. 3<sup>rd</sup> Street will be moved into the CORE program and that a private party is interested in acquiring 1237 Buttonwood Street. She noted that 600 and 602 N 3<sup>rd</sup> Street are foreclosed properties but the bank has not recorded the deed.

- Eminent Domain Round 3

146 Elm Street, 153 Elm Street, 305 Locust Street

Ms. Kelleher suggested adding all Lobos properties that are certified by the time that round is ready to begin. The Committee agreed.

### **Update re Disposition of Other Properties Certified**

Mr. Olsen requested an update on the disposition of all other properties certified to date. Ms. Kelleher stated that she requested this information from the CD Department in June, in July and at the beginning of August but no response was received.

Mr. Olsen noted the importance of tracking properties that were certified and under rehab agreements. Ms. Kelleher stated that in June she checked the water accounts of the properties being rehabbed and found that some did not have water service and are legally uninhabitable.

The Committee expressed its displeasure that a report was not submitted. Ms. Kelleher was asked to advise the Managing Director about the issue.

### **Act 90 Implementation**

Ms. Kelleher reported that she and Ms. Butler worked with the County Treasurer to block citizens with delinquencies and codes violations from purchasing properties at the June tax sale, which is one of the Act 90 initiatives. She reported that 40 of 100

people registered were blocked from purchasing properties. She stated that she and Ms. Butler had a follow-up meeting with the County Treasurer and reported that the City and County were pleased with the process used and discussed ways to further improve the process. Ms. Kelleher stated that she asked the Managing Director to have a City representative at the sale, as requested by the County Treasurer, in the future so people blocked can be advised about their problems with the City.

Ms. Kelleher stated that the City Act 90 Work Group is scheduled to meet next week to discuss implementing two (2) additional Act 90 initiatives: revoking permits from those with delinquencies and codes violations and seeking criminal charges through the District Attorney for properties with severe codes violations.

Mr. Olsen requested an update regarding the use of Federal NSP funds to acquire and rehab properties in the designated area.

The Committee expressed their support of the work to implement the Act 90 initiatives.

#### **Review September and October Determination Properties**

Ms. Kelleher stated that the lists for both hearings are attached to the agenda. She noted that the majority of these properties were referred by Codes. She noted that some bank owned properties are included in this round. She added that three properties will need to be removed from the October agenda as hearing notices were not mailed to the properties. In response to an inquiry from the Committee, Ms. Kelleher explained that the CD Office did not provide the completed forms in time to get them mailed 60 days prior to the hearing.

The Committee stated that failure to produce the required forms is unacceptable and asked Ms. Kelleher to bring the matter to the Managing Director's attention. Ms. Kelleher stated that the Managing Director and CD Director are aware of the problem.

#### **Discussion re Increasing the Number of Properties Processed**

Ms. Kelleher stated that the Council Office has mailed out over 200 warning letters to property owners and almost 200 additional letters to bank owned properties will be mailed out next week. She suggested increasing the number of properties that enter the hearing process.

Ms. Kelleher stated that the report issued almost four (4) years ago identified 1479 blighted properties. Eric Weiss believes that the number of vacant properties alone exceeds 2000 in 2011. She expressed the belief that the economy and the foreclosure rate has probably increased that number further. She stated that when the warning letters go out approximately one half of the owners receiving letters contact the City to rectify their issues.

Ms. Kelleher suggested that bumping the number of properties for the hearing phase may help either resolve the problems with the property or make the property available for sale to a responsible owner. She noted that the City could use the CORE (Community Reinvestment) program with the Reading Berks Association of Realtors as a mechanism to stimulate the sale of properties in stable neighborhoods, such as those just certified in the 700 block of North 4<sup>th</sup> Street and the 600 block of North 3<sup>rd</sup> Street.

Ms. Kelleher stated that increasing the number of hearings would also increase the amount of staff time and suggested increasing the number slowly to allow staff time to adjust. She also noted the work with IT to automate the blighted property process which will ease some of the background work like researching properties and creating forms and letters. She stated that Mr. Weiss and Codes Manager Ron Natale are phasing in additional Codes Inspectors, two (2) of which will be hired to jointly handle the Health and Safety Inspection part of the Certificate of Transfer program and the blighted property process. She stated that Codes inspectors have had training regarding their role in the blighted property process and are beginning to issue citations that attach directly to the blight criteria. She added that inspectors have also had some training regarding the Act 90 initiatives. She stated that she also keeps RAWA informed about the disposition of various properties in the hearing (pre and post) phase, so RAWA can move liens into judgments where applicable.

Mr. Uribe noted that only a few of the property owners attend the hearings and suggested avoiding reading the property information into the record when the property owner is not present.

Ms. Butler stated that at first glance that may be possible as the property packets are entered into the record and contain notarized affidavits about the properties conditions and issues.

Mr. Bealer agreed and noted that the use of the notarized affidavits has improved the hearing process. He recalled the laborious testimony from the Codes Manager in Allentown at Blighted Property Hearings that includes reading each citation into the record.

### **Other Business**

Ms. Reed inquired if the bottling plant located on Berkshire Place meets the blighted criteria. Ms. Kelleher checked Hansen and stated that there are no codes violations listed and the property does not have water service. She stated that she would check the properties tax status in the morning. She also stated that the property is owned by Guardian Harbor General Partners LLC, Big Spring Road, Robesonia and lists another corporation as the general partner.

Ms. Reed expressed the belief that the plant construction will never be completed as the water bottling business market is bottoming out. She noted that various bottling companies are beginning to fail. She noted that the incomplete construction is an attractive nuisance to the surrounding neighborhood and presents a public safety hazard. She stated that Attorney Merv Heller still represents the property owners. She recalled that the real estate deal to transfer or sell the property to a company named Newco was never culminated.

Mr. Bealer recalled the settlement agreement with the new owner of the property requires the new owner to perform a Grade 3 clean-up on the property, provide a driveway for Northwest Elementary and deed a parcel of land to Northwest Elementary School for playground purposes.

Ms. Reed stated that Northwest has been without a playground for years. She inquired if the City could push the bottling plant owner to transfer the playground land.

Ms. Butler was asked to check the settlement agreement to see if the City could force the owner to transfer the parcel of land to Northwest Elementary.

Ms. Reed and Mr. Bealer recalled that originally the land was to be used for residential purposes, but Greater Berks Development subdivided to create smaller adjoining properties for multiple light industrial businesses but sold that property to Big Springs, owned by the Weavers.

Mr. Bealer suggested that the properties in the 200 block of Hudson, near Opportunity House, be reviewed against the blight criteria. He stated that the majority of these homes are in deep disrepair and others are completely shuttered.

Mr. Olsen stated that the next meeting is a Determination Hearing on Thursday, September 15<sup>th</sup> at 6 p.m. He asked the BPRC to meet in Ms. Kelleher's office at 5:45 pm on that night.

The BPRC meeting adjourned at approximately 7:15 pm.

*Respectfully submitted by Linda A. Kelleher, City Clerk*